

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

**LOK SABHA
UNSTARRED QUESTION NO. 1642
TO BE ANSWERED ON FRIDAY THE 10TH MARCH, 2017**

PHALGUN 19, 1938 (SAKA)

PROCEDURE OF GST

1642. SHRI AJAY MISRA TENI:

Will the Minister of FINANCE be pleased to state:

- (a) whether even after passage of the Goods and Service Tax (GST) bill, ratification by at least fifty percent of States in the country is requested for enacting it as legislation;
- (b) if so, the details thereof along with the procedure required to be followed before enactment of the GST legislation;
- (c) whether the GST will simplify the trade and maintenance of accounts (income/ expenditure) and also check tax evasion in the country; and
- (d) if so, the details thereof and its likely effect on trade and consumers?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI SANTOSH KUMAR GANGWAR)

- (a) The 122nd Constitution Amendment Bill, 2014 has been passed by the Parliament and after ratification by fifty percent of the States, the same has been enacted as 101st Constitution Amendment, Act, 2016. No Goods and Service Tax (GST) Bill has so far been passed.
- (b) The Central Goods and Services Tax (CGST) Bill, Integrated Goods and Services Tax (IGST) Bill and Union Territory Goods and Services Tax (UTGST) Bill will be passed by Parliament. Each State, including Union territory with Legislature will pass its own State Goods and Services Tax (SGST) Bill.
- (c) Yes, it is the intended objective.

(d) GST is expected to have positive effect on trade and consumers in, interalia, the following manner:-

- Simpler tax regime;
- Reduction in multiplicity of taxes;
- Mitigation of cascading of taxes expected to result in reduction in final price of goods or services;
- Anticipated reduction in compliance costs ;
- Uniform Law, Rules, Tariff – between Centre and States and across States;
- Simplified and automated procedures.
